

IC 5-1.4-6

Chapter 6. Other Funds and Accounts

IC 5-1.4-6-1

General fund; establishment; use; creation of subaccounts or special accounts

Sec. 1. (a) The bank shall establish and maintain a fund called the general fund into which there shall be deposited all money received by the bank, unless otherwise provided by resolution or trust agreement of the bank, and any money that the bank shall transfer to the fund from any reserve fund under IC 5-1.4-5-1(c). Money in the general fund shall be used for operating expenses of the bank and, subject to any contract between the bank and its holders, may be:

- (1) used to pay principal of or interest on bonds or notes of the bank to prevent a default;
- (2) transferred to any reserve fund to prevent a default or to make up any deficiency in that reserve fund;
- (3) used to purchase securities; and
- (4) used to purchase or redeem the bank's bonds or notes.

(b) No amount shall be paid or expended out of the general fund, or from any account therein established by the bank for the purpose of paying operating expenses, for the payment of operating expenses of the bank in any year in excess of the amount provided for operating expenses in the annual budget then in effect for that year or any amendment thereof in effect at the time of the payment or expenditure.

(c) The bank is authorized and empowered to create and establish in the general fund accounts, subaccounts, or special accounts that in the opinion of the board are necessary, desirable, or convenient for the purposes of the bank under this chapter.

As added by P.L.42-1985, SEC.1. Amended by P.L.29-1986, SEC.18.

IC 5-1.4-6-2

Additional reserves; other funds or accounts

Sec. 2. The board may establish additional reserves or other funds or accounts as may be necessary, desirable, or convenient to further the accomplishment of its purposes or to comply with the provisions of any of its agreements or resolutions.

As added by P.L.42-1985, SEC.1.

IC 5-1.4-6-3

Money or investments held for payment of bonds or notes; application

Sec. 3. Unless the resolution or trust agreement authorizing the bonds or notes provides otherwise, money or investments in a fund or account of the bank established or held for the payment of bonds or notes shall be applied to the payment or retirement of the bonds or notes, and to no other purpose.

As added by P.L.42-1985, SEC.1.